

# United States Bankruptcy Court

## Northern District of Illinois

# Voluntary Petition

|   |   |
|---|---|
| Name of Debtor (if individual, enter Last, First, Middle):<br><b>InGear Corporation</b>   | Name of Joint Debtor (Spouse) (Last, First, Middle):  |
| All Other Names used by the Debtor in the last 8 years<br>(include married, maiden, and trade names):   | All Other Names used by the Joint Debtor in the last 8 years<br>(include married, maiden, and trade names):           |
| Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN<br>(if more than one, state all)<br><b>36-3939467</b>   | Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN<br>(if more than one, state all)    |
| Street Address of Debtor (No. and Street, City, and State):<br><b>650 Lake Cook Road</b><br><b>Buffalo Grove, IL</b><br><div style="text-align: right;">ZIP Code<br/><b>60089</b></div> | Street Address of Joint Debtor (No. and Street, City, and State):<br><div style="text-align: right;">ZIP Code</div>   |
| County of Residence or of the Principal Place of Business:<br><b>Lake</b>   | County of Residence or of the Principal Place of Business:  |
| Mailing Address of Debtor (if different from street address):<br><b>P.O. Box 7868</b><br><b>Buffalo Grove, IL</b><br><div style="text-align: right;">ZIP Code<br/><b>60089</b></div>    | Mailing Address of Joint Debtor (if different from street address):<br><div style="text-align: right;">ZIP Code</div> |
| Location of Principal Assets of Business Debtor<br>(if different from street address above):  |   |

|  |  |   |
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| <b>Type of Debtor</b><br>(Form of Organization)<br>(Check one box)<br><br><input type="checkbox"/> Individual (includes Joint Debtors)<br><i>See Exhibit D on page 2 of this form.</i><br><input checked="" type="checkbox"/> Corporation (includes LLC and LLP)<br><input type="checkbox"/> Partnership<br><input type="checkbox"/> Other (If debtor is not one of the above entities,<br>check this box and state type of entity below.) | <b>Nature of Business</b><br>(Check one box)<br><br><input type="checkbox"/> Health Care Business<br><input type="checkbox"/> Single Asset Real Estate as defined<br>in 11 U.S.C. § 101 (51B)<br><input type="checkbox"/> Railroad<br><input type="checkbox"/> Stockbroker<br><input type="checkbox"/> Commodity Broker<br><input type="checkbox"/> Clearing Bank<br><input checked="" type="checkbox"/> Other<br><br><b>Tax-Exempt Entity</b><br>(Check box, if applicable)<br><input type="checkbox"/> Debtor is a tax-exempt organization<br>under Title 26 of the United States<br>Code (the Internal Revenue Code). | <b>Chapter of Bankruptcy Code Under Which<br/>the Petition is Filed (Check one box)</b><br><br><input type="checkbox"/> Chapter 7<br><input type="checkbox"/> Chapter 9<br><input checked="" type="checkbox"/> Chapter 11<br><input type="checkbox"/> Chapter 12<br><input type="checkbox"/> Chapter 13<br><br><input type="checkbox"/> Chapter 15 Petition for Recognition<br>of a Foreign Main Proceeding<br><input type="checkbox"/> Chapter 15 Petition for Recognition<br>of a Foreign Nonmain Proceeding<br><br><b>Nature of Debts</b><br>(Check one box)<br><br><input type="checkbox"/> Debts are primarily consumer debts,<br>defined in 11 U.S.C. § 101(8) as<br>"incurred by an individual primarily for<br>a personal, family, or household purpose."<br><input checked="" type="checkbox"/> Debts are primarily<br>business debts. |
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|---|--|
| <b>Filing Fee (Check one box)</b><br><br><input checked="" type="checkbox"/> Full Filing Fee attached<br><br><input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must<br>attach signed application for the court's consideration certifying that the debtor<br>is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A.<br><br><input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must<br>attach signed application for the court's consideration. See Official Form 3B. | <b>Chapter 11 Debtors</b><br>Check one box:<br><input type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D).<br><input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D).<br>Check if:<br><input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed<br>to insiders or affiliates) are less than \$2,190,000.<br><br>Check all applicable boxes:<br><input type="checkbox"/> A plan is being filed with this petition.<br><input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more<br>classes of creditors, in accordance with 11 U.S.C. § 1126(b). |
|---|--|

|  |  |   |   |  |  |  |   |   |  |                                       |  |  |   |   |  |  |  |   |   |  |  |  |   |   |  |  |  |   |   |  |   |
|--|--|---|---|--|--|--|---|---|--|---------------------------------------|--|--|---|---|--|--|--|---|---|--|--|--|---|---|--|--|--|---|---|--|---|
| <b>Statistical/Administrative Information</b><br><input type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors.<br><input checked="" type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid,<br>there will be no funds available for distribution to unsecured creditors.<br><br><b>Estimated Number of Creditors</b><br><table style="width:100%;"> <tr> <td><input type="checkbox"/> 1-49</td> <td><input type="checkbox"/> 50-99</td> <td><input checked="" type="checkbox"/> 100-199</td> <td><input type="checkbox"/> 200-999</td> <td><input type="checkbox"/> 1,000-5,000</td> <td><input type="checkbox"/> 5,001-10,000</td> <td><input type="checkbox"/> 10,001-25,000</td> <td><input type="checkbox"/> 25,001-50,000</td> <td><input type="checkbox"/> 50,001-100,000</td> <td><input type="checkbox"/> OVER 100,000</td> </tr> </table> <b>Estimated Assets</b><br><table style="width:100%;"> <tr> <td><input type="checkbox"/> \$0 to \$50,000</td> <td><input type="checkbox"/> \$50,001 to \$100,000</td> <td><input type="checkbox"/> \$100,001 to \$500,000</td> <td><input type="checkbox"/> \$500,001 to \$1 million</td> <td><input type="checkbox"/> \$1,000,001 to \$10 million</td> <td><input checked="" type="checkbox"/> \$10,000,001 to \$50 million</td> <td><input type="checkbox"/> \$50,000,001 to \$100 million</td> <td><input type="checkbox"/> \$100,000,001 to \$500 million</td> <td><input type="checkbox"/> \$500,000,001 to \$1 billion</td> <td><input type="checkbox"/> More than \$1 billion</td> </tr> </table> <b>Estimated Liabilities</b><br><table style="width:100%;"> <tr> <td><input type="checkbox"/> \$0 to \$50,000</td> <td><input type="checkbox"/> \$50,001 to \$100,000</td> <td><input type="checkbox"/> \$100,001 to \$500,000</td> <td><input type="checkbox"/> \$500,001 to \$1 million</td> <td><input type="checkbox"/> \$1,000,001 to \$10 million</td> <td><input checked="" type="checkbox"/> \$10,000,001 to \$50 million</td> <td><input type="checkbox"/> \$50,000,001 to \$100 million</td> <td><input type="checkbox"/> \$100,000,001 to \$500 million</td> <td><input type="checkbox"/> \$500,000,001 to \$1 billion</td> <td><input type="checkbox"/> More than \$1 billion</td> </tr> </table> | <input type="checkbox"/> 1-49                  | <input type="checkbox"/> 50-99                  | <input checked="" type="checkbox"/> 100-199       | <input type="checkbox"/> 200-999                     | <input type="checkbox"/> 1,000-5,000                             | <input type="checkbox"/> 5,001-10,000                  | <input type="checkbox"/> 10,001-25,000                  | <input type="checkbox"/> 25,001-50,000                | <input type="checkbox"/> 50,001-100,000        | <input type="checkbox"/> OVER 100,000 | <input type="checkbox"/> \$0 to \$50,000 | <input type="checkbox"/> \$50,001 to \$100,000 | <input type="checkbox"/> \$100,001 to \$500,000 | <input type="checkbox"/> \$500,001 to \$1 million | <input type="checkbox"/> \$1,000,001 to \$10 million | <input checked="" type="checkbox"/> \$10,000,001 to \$50 million | <input type="checkbox"/> \$50,000,001 to \$100 million | <input type="checkbox"/> \$100,000,001 to \$500 million | <input type="checkbox"/> \$500,000,001 to \$1 billion | <input type="checkbox"/> More than \$1 billion | <input type="checkbox"/> \$0 to \$50,000 | <input type="checkbox"/> \$50,001 to \$100,000 | <input type="checkbox"/> \$100,001 to \$500,000 | <input type="checkbox"/> \$500,001 to \$1 million | <input type="checkbox"/> \$1,000,001 to \$10 million | <input checked="" type="checkbox"/> \$10,000,001 to \$50 million | <input type="checkbox"/> \$50,000,001 to \$100 million | <input type="checkbox"/> \$100,000,001 to \$500 million | <input type="checkbox"/> \$500,000,001 to \$1 billion | <input type="checkbox"/> More than \$1 billion | <b>THIS SPACE IS FOR COURT USE ONLY</b> |
| <input type="checkbox"/> 1-49  | <input type="checkbox"/> 50-99                 | <input checked="" type="checkbox"/> 100-199     | <input type="checkbox"/> 200-999                  | <input type="checkbox"/> 1,000-5,000                 | <input type="checkbox"/> 5,001-10,000                            | <input type="checkbox"/> 10,001-25,000                 | <input type="checkbox"/> 25,001-50,000                  | <input type="checkbox"/> 50,001-100,000               | <input type="checkbox"/> OVER 100,000          |                                       |  |  |   |   |  |  |  |   |   |  |  |  |   |   |  |  |  |   |   |  |   |
| <input type="checkbox"/> \$0 to \$50,000   | <input type="checkbox"/> \$50,001 to \$100,000 | <input type="checkbox"/> \$100,001 to \$500,000 | <input type="checkbox"/> \$500,001 to \$1 million | <input type="checkbox"/> \$1,000,001 to \$10 million | <input checked="" type="checkbox"/> \$10,000,001 to \$50 million | <input type="checkbox"/> \$50,000,001 to \$100 million | <input type="checkbox"/> \$100,000,001 to \$500 million | <input type="checkbox"/> \$500,000,001 to \$1 billion | <input type="checkbox"/> More than \$1 billion |                                       |  |  |   |   |  |  |  |   |   |  |  |  |   |   |  |  |  |   |   |  |   |
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**Voluntary Petition**

(This page must be completed and filed in every case)

Name of Debtor(s):

**InGear Corporation****All Prior Bankruptcy Cases Filed Within Last 8 Years** (If more than two, attach additional sheet)

Location

Where Filed: **- None -**

Case Number:

Date Filed:

Location

Where Filed:

Case Number:

Date Filed:

**Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor** (If more than one, attach additional sheet)

Name of Debtor:

**- None -**

Case Number:

Date Filed:

District:

Relationship:

Judge:

**Exhibit A**

(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)

☐ Exhibit A is attached and made a part of this petition.

**Exhibit B**

(To be completed if debtor is an individual whose debts are primarily consumer debts.)

I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I delivered to the debtor the notice required by 11 U.S.C. §342(b).

**X**

Signature of Attorney for Debtor(s)

(Date)

**Exhibit C**

Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?

☐ Yes, and Exhibit C is attached and made a part of this petition.

☒ No.

**Exhibit D**

(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)

☐ Exhibit D completed and signed by the debtor is attached and made a part of this petition.

If this is a joint petition:

☐ Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.

**Information Regarding the Debtor - Venue**

(Check any applicable box)

- ☒ Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.
- ☐ There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.
- ☐ Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.

**Certification by a Debtor Who Resides as a Tenant of Residential Property**

(Check all applicable boxes)

- ☐ Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)

\_\_\_\_\_  
(Name of landlord that obtained judgment)

\_\_\_\_\_  
(Address of landlord)

- ☐ Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and
- ☐ Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.
- ☐ Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).

B1 (Official Form 1)(1/08)

Page 3

## Voluntary Petition

(This page must be completed and filed in every case)

Name of Debtor(s):

InGear Corporation

### Signatures

#### Signature(s) of Debtor(s) (Individual/Joint)

I declare under penalty of perjury that the information provided in this petition is true and correct.

[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7. [If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. §342(b).

I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X \_\_\_\_\_  
Signature of Debtor

X \_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Telephone Number (If not represented by attorney)

\_\_\_\_\_  
Date

#### Signature of Attorney\*

X Daniel A. Zazove  
Signature of Attorney for Debtor(s)

Daniel A. Zazove 3104117  
Printed Name of Attorney for Debtor(s)

Perkins Cole LLP  
Firm Name  
131 S. Dearborn  
Suite 1700  
Chicago, IL 60603

\_\_\_\_\_  
Address

Email: dzazove@perkinscole.com  
312-324-8400 Fax: 312-324-8400

\_\_\_\_\_  
Telephone Number

February 7, 2008  
Date

\*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.

#### Signature of Debtor (Corporation/Partnership)

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X Larry Gutkin  
Signature of Authorized Individual

Larry Gutkin  
Printed Name of Authorized Individual

Chief Executive Officer  
Title of Authorized Individual

February 7, 2008  
Date

#### Signature of a Foreign Representative

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only one box.)

☐ I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. §1515 are attached.

☐ Pursuant to 11 U.S.C. §1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

X \_\_\_\_\_  
Signature of Foreign Representative

\_\_\_\_\_  
Printed Name of Foreign Representative

\_\_\_\_\_  
Date

#### Signature of Non-Attorney Bankruptcy Petition Preparer

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.

\_\_\_\_\_  
Printed Name and title, if any, of Bankruptcy Petition Preparer

\_\_\_\_\_  
Social-Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)

\_\_\_\_\_  
Address

X \_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Bankruptcy Petition Preparer or officer, principal, responsible person, or partner whose Social Security number is provided above.

Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual:

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

*A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both 11 U.S.C. §110; 18 U.S.C. §156.*

**UNANIMOUS WRITTEN CONSENT  
OF  
THE BOARD OF DIRECTORS  
OF  
INGEAR HOLDINGS, INC**

**February 1, 2008**

The undersigned, being all of the members of the Board of Directors of InGEAR Holdings, Inc., a Delaware corporation, (the "Corporation"), hereby adopt, and consent to the adoption of, the following resolutions:

**WHEREAS**, the Board of Directors of the Corporation considered the presentation and other information provided by the management of the Corporation regarding (i) the liabilities and liquidity situation of the Corporation and its wholly-owned subsidiary, InGEAR Corporation, an Illinois corporation ("InGEAR"), (ii) the existing defaults by InGEAR under the Loan and Security Agreement dated as of April 24, 2007 (as amended and restated from time to time, the "Loan Agreement"), and the Corporation's unconditional guarantee of InGEAR's obligations under the Loan Agreement, (iii) the Corporation's negotiations with the lenders under the Loan Agreement, (iv) the lenders' election of certain remedies under the Loan Agreement, (v) the strategic alternatives available to the Corporation and InGEAR, and (vi) the impact of the foregoing on the Corporation's and InGEAR's business.

**WHEREAS**, the Board of Directors of the Corporation has had the opportunity to consult with the management of the Corporation and its legal, financial and other advisors and fully consider each of the strategic alternatives available to the Corporation and InGEAR.

**NOW, THEREFORE, BE IT:**

**RESOLVED**, that in the judgment of the Board of Directors, it is desirable and in the best interests of the Corporation, its creditors, stockholders, and other parties in interest, that the appropriate officers of the Corporation, including the chief executive officer (collectively, the "Officers"), take any and all actions necessary to accomplish the orderly liquidation of the Corporation's assets (including the assets of InGEAR) pursuant to any and all applicable federal and state law, including, but not limited to, causing the Corporation and/or InGEAR to (i) file for protection under chapter 7 or chapter 11 of title 11 of the United States Code, (ii) make an assignment for the benefit of creditors or similar transaction pursuant to applicable state law, and (iii) effect an orderly out of court liquidation pursuant to applicable state law (collectively, the "Liquidation Actions");

**RESOLVED FURTHER**, that the Officers of the Corporation, or any one of them, in connection with the Liquidation Actions, are authorized to execute and file (or direct others to do so on their behalf as provided herein) on behalf of the Corporation and, if deemed appropriate, InGEAR all necessary documents, including, without limitations, all petitions, affidavits, schedules, motions, lists, applications, pleadings and other papers or documents, and to take any and all action that they deem necessary or proper to obtain the relief described herein;

**RESOLVED FURTHER**, that the Officers of the Corporation may employ and retain all assistance by legal counsel, including Perkins Coie LLP, accountants or other professionals and may take any and all action which they deem necessary and proper in connection with the Liquidation Actions;

**RESOLVED FURTHER**, that each of the Officers be, and hereby is, authorized and empowered to execute and deliver any amendments, amendments and restatements, supplements, modifications, renewals, replacements, consolidations, substitutions and extensions of the Loan Agreement and the Corporation's guarantee thereof, or forbearance agreements with respect to defaults under the Loan Agreement and the Corporation's guarantee thereof, in connection with the Liquidation Actions which shall in their sole judgment be necessary, proper or advisable;

**RESOLVED FURTHER**, the Officers of the Corporation, or any one or more of them, hereby are authorized, empowered and directed to execute, deliver and perform in the name and on behalf of the Corporation and/or InGEAR, all instruments and other documents necessary to implement the Liquidation Actions, including any changes, additions, modifications, and amendments thereto as such officer shall deem appropriate, the execution and delivery thereof by any such officer to be conclusive evidence of the approval thereof by such officer, by this Board of Directors; and

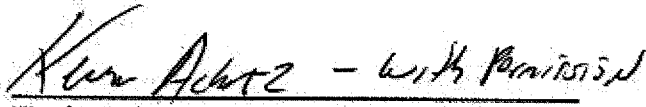
**RESOLVED FURTHER**, that the appropriate officers of the Corporation, or any one or more of them, hereby are authorized, empowered and directed to take all steps and authorize to be done all acts and things as may be necessary, advisable, convenient or proper for the purpose of carrying out the intent and purpose of the foregoing resolutions and the Liquidation Actions and all such prior actions taken by such officers are hereby confirmed, ratified and approved.

*[Signature Page to Follow]*

**IN WITNESS WHEREOF**, the undersigned have executed this Unanimous Written Consent of Board of Directors of the Corporation as of the date first written above.

**DIRECTORS**

  
Lawrence Gutkin

  
Kevin Achatz

  
Lawrence Wojciak

\_\_\_\_\_  
Elliot Maluth